



USAID
FROM THE AMERICAN PEOPLE

POLICY FRAMEWORK

This Public Comment version contains the full draft text of the Policy Framework but not the citations or graphic elements that will appear when it is officially released.

draft

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EXECUTIVE SUMMARY INTRODUCTION

WHAT IS A POLICY FRAMEWORK?

The *Policy Framework* is the highest-level policy document unique to USAID. It takes its direction from the United States' *National Security Strategy (NSS)* and the Department of State and USAID *Joint Strategic Plan (JSP)*. The *Policy Framework* translates the goals outlined in the *NSS* and *JSP* specifically for USAID.

This is the third *Policy Framework* USAID has released, following ones in 2006 and 2011. As USAID's operational policy explains, a *Policy Framework* is a guiding document that articulates USAID's approach to providing development and humanitarian assistance and the agency's programmatic and operational priorities that follow from it. These, in turn, inform issue-specific development policies, strategies, and vision papers; budget requests and allocations; country and region strategic plans; good-practice documents and project designs; evaluation and learning agendas; and engagement with partners.

The *Policy Framework* is useful to USAID personnel, implementing and other program partners, partner-country governments and other recipients of USAID assistance, U.S. interagency colleagues and other donor counterparts, and stakeholders in the U.S. Congress, the development community, and the public.

WHY PUBLISH A NEW POLICY FRAMEWORK?

The world is marking an era of remarkable development progress but is also facing emerging and increasingly complex challenges. At this pivotal moment, many donors of foreign assistance are adjusting to shifting circumstances abroad and new demands at home. USAID, too, is undertaking a transformation. This *Policy Framework* explains why transforming the agency is necessary to confront future needs for and obstacles to development and humanitarian assistance and to make USAID a more effective provider of foreign assistance on behalf of the American people.

WHAT ARE THE MAIN MESSAGES OF THE POLICY FRAMEWORK?

The *Policy Framework* presents USAID's mission and vision for achieving it: ending the need for foreign assistance, by partnering with countries along their journeys to self-reliance. To realize this vision, the *Policy Framework* introduces a new, agency-wide approach to development and humanitarian assistance: fostering self-reliance. This approach is grounded in three mutually reinforcing principles: USAID must advance country progress, by making investments for impact, through programs that sustain results. To apply these principles, USAID must also transform itself as an institution: enabling its people to lead, ensuring coherence in policy and practice, and aligning budget, strategy, and performance priorities.

EXECUTIVE SUMMARY OVERVIEW

I. USAID'S GOAL ENDING THE NEED FOR FOREIGN ASSISTANCE

The United States Agency for International Development (USAID) promotes a free, peaceful, and prosperous world by offering a proven and compelling assistance model. The ultimate purpose of this assistance is to one day end the need for it to exist. Until that day, USAID's humanitarian and development assistance helps to protect America's security and advance U.S. interests abroad.

We serve the U.S. national interest

Foreign assistance complements America's defense and diplomacy and is an essential tool to safeguard U.S. national security. USAID's assistance protects Americans by curbing threats at their source; bolsters economic opportunities and commercial ties; advances liberty and democracy; offers strategic partnership; and ensures the United States is there for those in need when disaster strikes.

Many assistance programs are effective, but USAID must adopt a more strategic approach across its programs, building on those that lead to self-reliance and ending those that cannot demonstrate impact.

We are entering a new era, with pressing needs and emerging challenges

Greater freedom, peace, and prosperity show that widespread self-reliance is possible. Global poverty is falling, health is improving, more children are in school, communities are safer, and more people live in democracies than in the past. These advances are a testament to many societies' own efforts, and they demonstrate that global progress comes one country at a time. Through an array of on-the-ground country partnerships, USAID has made important contributions to these gains.

Despite extraordinary progress, barriers to self-reliance remain, and complex challenges are emerging. While some countries have developed rapidly, others struggle, and within many countries, not all share in development's benefits. Certain countries are regressing, especially on democracy. Likewise, complex crises and natural disasters can derail progress, and underlying fragility is pervasive. Many communities lack resilience to shocks and stresses, particularly in the face of rising environmental pressures.

There remains a substantial need for assistance as long as it leads to lasting solutions to these challenges.

We offer a hand up, rather than a handout

U.S. foreign assistance is not a handout – it is tried, tested, and proven to be effective. Yet the growing volume and diversity of development finance is redefining the role of donors. USAID recognizes that assistance is not meant to be indefinite. It must lead to self-reliance, the focus of USAID's new approach.

2. USAID'S VISION THE JOURNEY TO SELF-RELIANCE

Self-reliance entails a capacity to plan, finance, and implement solutions to local development challenges, and a commitment to see these through effectively, inclusively, and with accountability. As countries gain greater self-reliance, they are able to chart their own development paths and navigate obstacles on them.

Self-reliance grows from the bottom up

Countries build self-reliance in various ways and at multiple levels. We measure countries' self-reliance in the capacity and commitment of their national leaders and institutions. The self-reliance of communities and institutions within a country, however, underpin countrywide self-reliance.

Self-reliance requires building capacity and commitment

To accelerate, spread, and sustain gains, there are some guideposts for each country to follow. All countries, however, even relatively self-reliant ones, are affected by actors and events outside their control, so cooperation is also important.

- ***Spurring economic growth, inclusive development, and democratic governance***
Countries that have increased self-reliance have built capacity across the economy, civil society, the government, and the population. Sustainably building capacity often depends on a demonstrated commitment to inclusive growth and democratic governance. Sustained economic growth requires effective economic policy and responsible stewardship of a country's resources. Likewise, inclusive

USAID can support democracy, inclusion, growth, and human and institutional capacity.

In particular, USAID programs support commitment to democratic governance, openness, accountability, and political legitimacy; commitment to inclusive development, social cohesion, equality, and empowerment; commitment to economic growth, effective policy, innovation, and sound natural-resource management; and capacity-development across government, civil society, and economic institutions and the population at large.

development requires countering social exclusion, promoting cohesion, and investing in the future. Finally, governing democratically requires a commitment to political legitimacy, openness, and accountability.

- ***Preventing, mitigating, and recovering from crises that set countries back***

Most countries in which USAID operates are making gains along the journey toward self-reliance, but many are also fragile. When crises do erupt, providing swift, effective relief can save lives and livelihoods, and forestall a deeper spiral. To prevent and mitigate the impact of crises in the first place, countries must reduce their underlying fragility. Further, looking ahead, strengthening resilience to future shocks and prolonged stresses requires governance that is attuned to risks.

USAID can support relief in times of crisis, responses to fragility, and building resilience.

In particular, USAID programs help to provide humanitarian assistance in disasters and complex emergencies; prevent, mitigate, and otherwise respond to fragility and instability; and strengthen resilience to future shocks and stresses.

Self-reliance is increasing globally, but substantial needs remain

Overall, self-reliance is increasing. But building it takes time, and there is no simple route. Real progress is possible, but it is also incremental. Countries can rise to this challenge, as they take ownership of it.

3. USAID'S APPROACH FOSTERING SELF-RELIANCE

USAID will reorient to foster self-reliance. This approach marks a new direction for USAID, although it draws on our deep experience and lessons learned. The new approach is grounded in three principles underpinning *why* we provide assistance to each country, *what* assistance will be most effective, and *how* we can ensure the sustainability of our program results.

1. The 'why': Advance country progress

- ***Focus on countrywide self-reliance***
USAID will support global development through individual country progress, redefine our relationship with partner-country governments, but remain committed to providing relief in times of crisis.
- ***Map countries' progress toward self-reliance***
USAID will chart a Roadmap for each country's journey toward self-reliance, supplement this with deeper analysis, and identify points of convergence among country needs and policy imperatives.

Transition as countries gain self-reliance

USAID will adapt our approach as countries gain self-reliance and undertake strategic transitions where capacity and commitment have advanced significantly.

2. The 'what': Invest for impact

- ***Make strategic choices***
USAID will build on local capacities and commitments where we find them, understand programmatic tradeoffs and make hard choices, and use cross-country efforts to support countries' self-reliance.
- ***Harmonize investments in growth, inclusion, and democracy***
USAID will support enterprise-driven development and financial sustainability, embrace innovation, and promote cross-sectoral integration.

- *Enhance capabilities to help prevent, mitigate, and recover from crises*
USAID will review strategic approaches in fragile countries and improve coordination across the humanitarian-development-peace nexus and the transition from relief to development.

3. The ‘how’: Sustain results

- *Reimagine our partnerships*
USAID will diversify our partners and partnership models, actively engage the private sector, focus partnerships on outcomes, and be more creative and flexible in our procurement processes.
- *Strengthen local systems*
USAID will seek catalytic, system-wide change and prioritize outcomes that are sustainable.
- *Take balanced risks*
USAID will embrace a reasonable level of program risk and manage risks systematically.

4. USAID’S TRANSFORMATION STRENGTHENING USAID TODAY & FOR TOMORROW

USAID has three indispensable resources: our people, the institutional experience and expertise they have built, and the budget we implement on behalf of the American taxpayers. To realize the vision laid out in this *Policy Framework*, we must harness all three of these resources, and optimize their use.

Enable USAID’s people to lead

- *Continuing to invest in USAID’s workforce*
USAID will embrace a culture of leadership and one that reinforces our core values; provide staff the incentives to be leaders; empower our cadre of Foreign Service Nationals (FSNs); invest in a more nimble workforce; provide adequate support to staff in fluid and non-permissive contexts; reorganize ourselves to drive decision-making to missions; and enhance critical technical capabilities.

Ensure coherence in USAID’s policy and practice

- *Harmonizing policies, country strategies, and development and humanitarian practice.*
USAID will strengthen policy coherence; ensure country strategic plans and project design focus on self-reliance; build a robust practice to support fostering self-reliance; and hold ourselves to account.

Align USAID’s budget, strategy, and performance priorities

- *Improving alignment among budget, policy goals, and the strategies that implement them*
USAID will strengthen connections among policy, planning, and the budget we have; work with interagency and Congressional partners to ensure that country-level budget support our policy priorities, as aligned with U.S. government priorities; and seek alternative approaches to meeting directives in order to pursue more innovative and adaptive programs and partnerships.

5. LOOKING AHEAD

This *Policy Framework* articulates USAID’s overarching approach as the lead implementer of U.S. humanitarian and development assistance. USAID has already begun translating its principles into practice and will undertake a learning agenda to evaluate the effectiveness of these efforts. Learning is inherently iterative, and it can be uncomfortable – but we must be open to the evidence and willing to correct course as needed. Through collaboration and collective learning, we will achieve more impactful and sustainable results, and we will realize the vision laid out in this *Policy Framework*.

USAID'S GOAL

Ending the Need for Foreign Assistance

On behalf of the American people, the United States Agency for International Development (USAID) promotes a free, peaceful, and prosperous world. We provide humanitarian and development assistance in more than 120 countries. This assistance saves lives, reduces poverty, improves wellbeing, expands opportunity, strengthens democratic governance, and prevents, mitigates, and helps people recover from devastating crises.

USAID offers a proven and compelling assistance model, which we call the journey to self-reliance: enabling locally led, enterprise-driven, inclusive development built on transparent, accountable, citizen-responsive governance. This promotes balanced trade, open markets, and democratic norms.

In an era with intensifying competition among global powers, USAID's assistance is a powerful tool – complementing our defense and diplomacy – for protecting Americans and advancing U.S. interests. By partnering with societies to establish liberties, forestall conflict, accelerate growth, and respond to disasters with their own resources, Americans enjoy greater security and economic opportunity at home.

To this end, USAID offers a proven and compelling assistance model, which we call *the journey to self-reliance*: enabling locally led, enterprise-driven, inclusive development built on transparent, accountable, citizen-responsive governance. This model of assistance promotes balanced trade, open markets, and democratic norms. Our model contrasts with approaches that rely on opaque and unfair lending practices, which drive nations deep into debt and reward corruption. In time, the countries with which we partner will be able to plan, finance, and implement their own development solutions.

Ultimately, the purpose of our foreign assistance is to end the need for it to exist. We anticipate a day when countries around the globe can secure freedom, attain peace, expand prosperity, and build resilience to shocks and stresses on their own. This goal is ambitious, but it is achievable.

This *Policy Framework* helps us translate that vision into action. In the pages that follow, we describe the important role of USAID's work within the larger U.S. national security and foreign policy architecture; how our work can be even more effective if we focus on building countries' self-reliance; what we understand self-reliance to entail; the new programmatic and operational approach we must embrace to better foster self-reliance; and how we can more effectively leverage our budgetary, institutional, and especially human resources to enable this approach.

We Serve the U.S. National Interest

The U.S. *National Security Strategy* and Department of State and USAID *Joint Strategic Plan* affirm that foreign assistance is an essential tool for advancing U.S. national security. U.S. foreign assistance “can promote stability, prosperity, and political reform, and build new partnerships based on the principle of reciprocity.” As we partner with countries to strengthen their self-reliance – that is, their ability to lead their own development journeys – we will transition our partnerships from traditional donor-recipient relationships to new forms of strategic engagement, including stronger security alliances, commercial ties, and development cooperation as countries become donors themselves. As a result, we not only support stability abroad and reduce threats to Americans at home, but we also help generate economic opportunities for American businesses and workers.

- USAID's assistance protects America's security by curbing threats at their source. Our programs can help counter violent extremism, strengthen citizen-responsive governance and security, and increase

our partners' capacity to deter aggression, and counter malign influence, and respond to disasters. Our programs also nurture country and regional capacity to respond to transnational challenges, from arresting the illicit flow of drugs, wildlife, and people, to conducting disease surveillance and responding to outbreaks before they become deadly pandemics. These programs save money as well as lives. Disrupting pathways to and counteracting the conditions that enable violence, extremism, pandemics, famines, and other forms of instability before they erupt is far more cost-effective than responding after the fact.

- **USAID's assistance bolsters America's economic opportunities and commercial ties.** Our programs enable more vibrant markets; good governance; reliable infrastructure; healthy, educated, and productive populations; sustainable use of natural resources; and other drivers of a country's growth. By supporting capacity to spark and sustain economic growth, we strengthen the foundation of long-term, global prosperity. As economies grow, their demand for U.S. exports grows, which multiplies opportunities for U.S. firms. This creates more jobs for American workers.
- **USAID's assistance advances the core American values of liberty, democracy, and the rule of law.** Citizen-centered, democratic governance and respect for human rights reflect deeply held American values, and upholding them reinforces U.S. strength and security. Our programs champion American ideals as a means to combat the spread of authoritarianism, terrorism, and corruption. We promote freedoms of speech, religion, and assembly; the ability to choose leaders democratically; and the right to due process and equal administration of justice. Ultimately, our programs strengthen U.S. bilateral relationships, amplify U.S. influence, and builds goodwill in the global competition for ideas.
- **USAID's assistance extends American influence and offers strategic, mutually beneficial partnership.** The United States has a record of assistance that is proven and that has offered countries strategic partnership, rather than lingering dependence. USAID's programs provide a powerful alternative to authoritarian governments that may propose seemingly generous offers, but which, in fact, present a path to unsustainable debt loads, forfeiture of sovereign assets, mercantilist and imbalanced trade deals, and myopic tradeoffs that undermine a country's sustained development. In contrast, USAID can help countries build capacity and commitment to mobilize domestic public resources, open markets, harness private capital, and strengthen pillars of democratic governance, so that they are able to lead and sustainably finance their own development. We look to the day when recipients become allies, equal partners, and donors themselves, as many former recipients have, from Chile to Poland to South Korea.
- **USAID will always be there when disaster strikes.** Our longstanding commitment to providing humanitarian relief projects U.S. leadership, and it expresses our values of generosity and compassion. USAID's humanitarian mandate is to save lives, alleviate human suffering, and mitigate the economic and social impact of disasters. A commitment to providing needs-based humanitarian assistance is a long-running U.S. priority, which has been core to USAID since it was established. USAID's humanitarian action to protect vulnerable populations, provide disaster assistance, support disaster-risk reduction, and build resilience to future shocks and stresses is grounded in the principles of humanity, impartiality, and operational independence. Upholding these principles in moments of crisis enables countries' long-run self-reliance and global stability.

Every dollar USAID spends must benefit the U.S. national interest. We best serve the national interest by working tirelessly to achieve our development and humanitarian mission. We envision a world with fewer threats and greater stability; more vibrant economies fueled by healthy, educated, and empowered populations; stronger alliances built on shared values; and a commitment to helping one another in moments of crisis. USAID's assistance contributes to these ends, and these ends will benefit Americans, the citizens and countries that receive U.S. assistance, and our other partners around the world.

To achieve our mission, we must embrace a new, more strategic approach. In the past, USAID's activities have been effective in many places, but larger assistance portfolios have not always been strategic. We have provided assistance in pursuit of too many goals in too many places. In some countries, we have continued programs despite a marked lack of

commitment from the government and other essential local partners. In others, we have provided too little assistance to make a meaningful difference for the country's development. Some programs have continued out of inertia, without having shown sustainable results. We must take a hard look at all of our programs, build on and replicate those that are effective, but also be willing to end those that are unable to demonstrate impact.

To achieve our mission, we must embrace a new, more strategic approach. We must take a hard look at all of our programs, build on and replicate those that are effective, but also be willing to end those that are unable to demonstrate impact.

We Are Entering a New Era, with Pressing Needs and Emerging Challenges

Real progress toward a more free, peaceful, and prosperous world is occurring, and widespread and lasting self-reliance is possible.

The world is at a pivotal moment. Many countries are marking an era of remarkable development progress after unprecedented gains against poverty, disease, hunger, and inequality. But substantial barriers remain, and

many countries also face emerging and increasingly complex challenges.

An array of countries have made momentous and tangible progress, but relatively few have reached a point of self-reliance at which they no longer need the support of foreign assistance. USAID's central task is to partner with countries so that they can attain this aspiration.

Development gains show self-reliance is possible

Real progress toward a more free, peaceful, and prosperous world is occurring, and widespread and lasting self-reliance is possible. Overall, people's lives and livelihoods are improving around the world, which signal a declining need for foreign assistance in many places.

- **Poverty is falling at the fastest rate in history.** In the past three decades, the population living in extreme poverty dropped by nearly two-thirds. The share of the globe living on less than \$1.90 per day is now less than 10 percent. When USAID was founded in 1961, more than half the world lived below this line.
- **People are healthier than ever before.** Compared to 1990, the number of children who die before their fifth birthday has dropped by more than 50 percent, and one-third fewer children are stunted from chronic malnutrition. Deadly diseases have been curbed substantially, as well. Incidence of HIV, malaria, and tuberculosis has fallen by nearly one-fifth since 1990, and other diseases, like yellow fever and guinea worm, have been curtailed even further.
- **More children are in school, and workers have greater access to opportunity.** The share of primary-age out-of-school children has been cut in half since 1990, to less than 10 percent worldwide. There is also greater gender parity, with as many girls attending primary school as boys. And a generation of workers has moved off farms to new jobs in cities, while better tools and techniques have more than doubled agricultural productivity in developing countries. In urban and rural areas alike, technology has linked people to information, services, and one another. Partly due to these rapid changes, the global middle class has grown threefold since 1990 to some 3.2 billion people.

- For most people in most countries, the world is far safer than in the past. The trend in deaths from natural and manmade disasters, including violent conflicts, has declined dramatically since USAID's inception in 1961 and is less than half what it once was.
- More people today – more than 4 billion – live in democracies than at any time in history. Since the mid-1990s and the fall of the Soviet Union, more than half the world lives in democratic countries.

These advances are foremost a testament to societies' own efforts, and they demonstrate that global progress reflects the sum of dedicated work spanning many countries. In recent decades, around the world, most countries have improved their populations' wellbeing and taken more ownership of their development agendas.

For more than 50 years, USAID has contributed to development gains through on-the-ground country partnerships. Our contribution has been just one part of a much larger story, but a meaningful part. We played a central role in the "Green Revolution" in the 1960s, for example, and in the rapid expansion of improved seed, fertilizer, and other agricultural innovations, credited with saving 1 billion people from starvation. In the 1970s, we supported the unified vaccination effort that eradicated smallpox, a disease that once took 1 million lives each year. Since the end of the Cold War, we have supported 35 countries in taking major strides toward full democracy. An independent study found that \$10 million of USAID democracy assistance improves key indicators (e.g., competitive elections, political participation) five times faster than in its absence. Since the 1990s, we have mobilized powerful campaigns to combat AIDS and malaria that have helped prevent 17 million deaths. More recently, we have been a leader of global action to end hunger and malnutrition that has since fed 5.2 million families. USAID has long been and remains to this day a reliable force for progress around the world.

Barriers remain to widespread and lasting self-reliance

Despite extraordinary progress, many countries today face both ongoing challenges and new barriers to self-reliance. Our work alongside our many local, international, and interagency partners is far from done. While many countries have developed rapidly, extending the benefits of growth and sustaining trajectories over time can prove difficult. Considerable challenges remain, with new ones emerging, to countries' development beyond a need for assistance.

Despite extraordinary progress, many countries today face both ongoing challenges and new barriers to self-reliance.

Despite rapid development in every region of the world, inequities remain.

- While some countries are developing rapidly, others continue to struggle. In the world's poorest countries, large proportions of the population live at subsistence levels. And closing the gap may be more difficult than in the past. As automation, artificial intelligence, and other innovations threaten to eliminate whole categories of future jobs, well-worn paths to growth, such as a surge in basic manufacturing, may no longer be available. Even growing countries may encounter a "middle-income trap," as their competitive edge in low-wage labor is dulled by progress itself. Countries may fall into this trap if they are unable to invest in further economic, social, and political transformation.
- Not all share in a country's development progress, even in fast-growing ones. The world's poorest, women, youth, the landless, persons with disabilities, politically and socially marginalized groups, and other vulnerable populations face limited access to public services, political voice, and economic opportunity. For example, in many countries, women are far less likely than men to own productive assets. Gender-based violence is also rampant: one in every three women will experience domestic-partner or sexual violence in her lifetime. There is a risk that a country's most vulnerable populations

will be left behind, despite broader gains. Moreover, extreme inequality has been shown to dampen a country's growth. Other disparities, such as "digital divides," block some from seizing opportunities. For every person connected to high-speed broadband, five are not, inhibiting their participation in the digital economy.

- **Certain countries are regressing, particularly on democracy.** Democracies can backslide when regimes consolidate one-party rule, abolish term limits, tamper with elections, weaken judicial independence, put restrictions on civic activity, attack the media, or intimidate political opposition. These actions erode people's essential and often hard-won freedoms. They also make countries prone to economic stagnation, social fractures, and political crisis. Once prospering countries have collapsed after dictators seized control and corrupted or mismanaged economies, feeding unrest.

Many countries are vulnerable to crises and instability that can derail progress.

- **Complex crises and natural disasters are worsening.** While the deadliness of natural disasters has declined considerably, the number of disaster events has risen in recent decades, as has their economic cost. At the same time, a set of protracted conflicts, some exacerbated by drought and other environmental stresses, have led to a series of unprecedented humanitarian emergencies that have forcibly displaced a record-high number of people: 68.5 million in 2017.
- **Fragility and vulnerability to instability are pervasive.** Although a handful of glaring crises grab the headlines, a much wider array of countries is at risk of similar trauma, including those recovering from past conflicts that may slip back into violence. Ineffective governance, exclusionary politics, and festering social tensions make countries vulnerable to armed conflict, extremist and political violence, even state collapse. There is also a "paradox of progress," as a more empowered and connected public – both undeniably good – demands more from authorities. Where entrenched elites and outdated orders resist and cannot satisfy people's demands, it can unsettle even seemingly stable countries, especially non-democratic ones. Outside actors and events can also stir trouble: unstable neighbors, non-state actors with global reach (terrorists, hackers, criminal networks), and states with malign intent may upend a country's stability. Competition over increasingly scarce natural resources also may aggravate underlying social tensions in fragile countries.
- **Many people lack resilience to future shocks and stresses.** Communities often lack the capacity to weather unexpected calamities, especially in low-income and fragile countries. Environmental hazards, pandemics, technological disruption, migration flows, and other challenges, often not bound by sovereign borders, can overwhelm even relatively strong state and local institutions. Other global shifts present unfamiliar problems, including both global and local stresses on the environment. Likewise, while rapid urbanization has opened job opportunities and pathways out of poverty for many, it also concentrates pressures on the environment, service-providers, and the social fabric. Similarly, youth bulges offer the promise of a "demographic dividend" (a large, youthful generation entering the workforce, like after America's Baby Boom), but they can also fuel violence, unrest, and outward migration, if youths lack sufficient opportunities for employment and civic engagement.

These challenges indicate that the ongoing need for assistance is substantial, as long as assistance leads to lasting solutions. Given the complexity of today's challenges, we must work each day to deliver enduring development outcomes: stronger institutions, more capable individuals, safer communities, less deprivation, healthier families, greater access to opportunity, protection of liberties, better management of natural resources, an ability to withstand shocks and stresses, and ultimately countrywide self-reliance.

We Offer a Hand up, Rather Than a Handout

The U.S. Government is a global leader in foreign assistance. We disbursed more than \$35 billion in development and humanitarian assistance in 2017, a small fraction of the federal budget (about 0.88 percent), but the largest total contribution of any bilateral donor. USAID, as the lead U.S. development and disaster-response agency, implements most of this assistance, providing nearly \$20 billion of the total.

Foreign assistance is not a handout. It is proven, effective, and a smart investment of taxpayer dollars. Independent studies demonstrate that assistance boosts a country's growth and stability.

Foreign assistance, however, is not a handout. It is proven, effective, and a smart investment of taxpayer dollars. Independent studies demonstrate that assistance boosts a country's growth and stability. The bulk of recent research finds that assistance has accelerated development gains; on average, the return on aid investment is valued at more than 10 percent. For instance, a sustained inflow of assistance (equivalent to 5 percent of a country's economy) results in a 1.5-percent increase in annual growth, raises the share of investment by more than 10 percentage points, increases educational attainment, boosts life expectancy, and significantly reduces extreme poverty. Likewise, in the midst of conflict, assistance has been shown to improve the chances a country regains stability.

At the same time, the increasing diversity of development finance is redefining the role of assistance, and of donors like USAID. Developing countries have become far less dependent on outside aid. When USAID was founded, foreign assistance accounted for more than two-thirds of the money flowing to developing countries. Today, it makes up less than one-fifth, increasingly outstripped by private investment, expatriates' remittances, and a growing pool of countries' own domestic public financing, although domestic resources vary widely by country.

Likewise, the growing consensus around principles for aid effectiveness makes building self-reliance a shared priority. For example, country ownership and responsibility are at the core of the 2015 *Addis Ababa Action Agenda on Financing for Development*, which recognizes the need to mobilize all available sources of financing, including a country's own domestic resources, private investment, and foreign assistance, to achieve nationally owned and led development priorities. Many countries' and regional organizations' agendas and planning documents espouse the same principles (e.g., the African Union's *Agenda 2063*).

Given the evolving role of development assistance, we recognize that ours is not meant to be indefinite or to supplant a country's own initiative or obligations. To work together to move countries toward the day they no longer need assistance, we must rededicate ourselves to fostering self-reliance. This demands a sharper focus on partnering to build a country's capacity and commitment to manage its own development. If we are successful, the societies we partner with will thrive autonomously and sustainably. Countries will have financial independence, by reducing reliance on external grants, concessional financing, and sometimes unsustainable debt, contributing to wider economic stability. Self-reliance will reinforce people's dignity and countries' autonomy by supporting greater ownership of their development agendas. In the long run, it will also reduce costs for the American taxpayer and help secure a more stable, economically open, and democratic world.

Embracing a focus on self-reliance entails a shift from the past for USAID. This approach applies the lessons USAID has learned in recent years, institutionalizes work already underway, and sets an ambitious vision for our future.

2 USAID'S VISION The Journey to Self-Reliance

Self-reliance entails a *capacity* to plan, finance, and implement solutions to local development challenges, and a *commitment* to see these through effectively, inclusively, and with accountability. These solutions take many forms and can come from individuals and institutions in government, the private sector, civil society, and the wider population.

As countries gain greater self-reliance, they can chart their own development paths and navigate obstacles along the way. Such countries are more stable and cohesive, more resourceful and resilient. They are more responsive to their own population's needs and are responsible members of the global community. Eventually, they can spread and sustain prosperity without a need for outside assistance.

Self-reliance entails a capacity to plan, finance, and implement solutions to local development challenges, and a commitment to see these through effectively, inclusively, and with accountability.

Self-Reliance Grows from the Bottom up

Countries build self-reliance at multiple levels. Communities and institutions throughout a country can become more self-reliant. As they do, they contribute to wider economic, social, and political systems. As these systems themselves become more self-reliant, they contribute to countrywide self-reliance.

We measure countries' self-reliance in the capacity and commitment of their national leaders and institutions. They advance a peaceful and prosperous society by enabling vital political, economic, and social systems to thrive – from the provision of justice to agricultural production – and by cultivating them, rather than corrupting or exploiting them.

The self-reliance of communities and institutions *within* a country, however – and the complex systems they make up – determine a country's self-reliance. When the complex networks of people and organizations in government, civil society, and the private sector (and even donors like USAID) function well and interact constructively, they produce shared goods and services. Well-functioning systems are virtuous circles that build self-reliance. For example, when policymakers, administrators, teachers, parents, faith leaders, and others (and the institutions they form, like schools and government ministries) work together, they can provide widely accessible and high-quality basic education that withstands changes in political administration, budget cycles, and overcomes other challenges, like cultural norms resisting girls' schooling. In turn, a better-educated cohort of students reverberates throughout society, politics, and the economy and produces even more capable policymakers, administrators, and teachers for the next generation. As a country's systems become stronger, more cohesive, and more adaptable, the whole society becomes more self-reliant.

Self-reliant systems are also inclusive ones. They are open to and incorporate the perspectives of a wide array of individuals and groups, especially women, youth, and marginalized populations. These systems benefit when *all* individuals benefit from them: they gain skills and knowledge; access to nutritious food, clean water, and essential services like health care; and freedom to make choices and the agency to shape the course of their own lives. As people benefit from economic, social, and political systems, they can contribute more actively to them, such as by starting new businesses or voting in elections.

Strengthening relatively weak systems, and ensuring the outcomes they deliver reach vulnerable or excluded populations, is central to each country's problem-solving.

Certain systems within a country may show strength and resilience, whereas others may be weak or fragile. For example, a country with a capable nation-wide health system may outperform peers in service delivery and be able to prevent disease, while the very same

country may also exhibit festering grievances, political marginalization, a history of insurgency and unrest, and rising violent extremism that feeds off these tensions. Such imbalances are more the rule than the exception. Strengthening relatively weak systems, and ensuring the outcomes they deliver reach vulnerable or excluded populations, is central to each country's problem-solving.

Self-Reliance Requires Building Capacity and Commitment

To accelerate, spread, and sustain gains, there are guideposts for countries to follow. Countries that have seen rapid, widespread, and sustainable progress toward self-reliance share commonalities. We can measure these on two broad dimensions: capacity and commitment. That is, such countries often embrace a set of commitments to democratic governance, inclusive development, and economic growth. These qualities, in turn, have helped them strengthen systems in and build human and institutional capacity across government, civil society, the economy, and the wider population. Gains in capacity and commitment are mutually reinforcing; while commitment is often necessary to build shared and enduring capacity, greater capacity enables follow-through on commitments and still further capacity-building. To forestall the instability that can unravel these hard-won gains, countries also need capacities and commitments to prevent turmoil, mitigate nascent threats, and recover from crises that do occur.

All countries, even relatively self-reliant ones, may be affected by actors and events outside their control. For example, the crisis of forced displacement strains institutions in countries near those in crisis, compounding the economic and security threats they already face. More than 85 percent of refugees reside in neighboring countries, for nearly a generation on average. Likewise, while the rapid diffusion of technology has spread opportunity and paved new pathways for countries to participate in the digital economy, it can also transmit threats across borders. For instance, although electronic voting systems may make administering elections easier and more efficient, they also open doors for election tampering, including by outside actors seeking to sow chaos. Similarly, violent extremists, often from abroad, use social media to radicalize youth. Natural disasters and environmental pressures frequently affect multiple countries; mitigating their impact may require a coordinated response. Multilateral organizations, alliances, and networks can help share burdens of cross-border challenges. Coordination, cooperation, and collaboration among countries are vital to their own self-reliance, and the more self-reliant countries are, the more effective they are at sharing burdens.

Spurring economic growth, inclusive development, and democratic governance

Countries that have increased self-reliance have built capacity across the economy, civil society, the government, and, most importantly, among the population. Broad-based economic growth, in particular, has had a profound impact, reducing poverty, raising living standards, and strengthening the capabilities of individuals and institutions. For example, a group of 28 fast-growing countries, including longstanding USAID partners like Ethiopia, Guatemala, Nepal, and Pakistan, have slashed extreme poverty by more than 25 percentage points since 1990. But capacity is not built by growth alone. A vibrant market is essential, but so are inclusive development and democratic governance. For instance, in addition to its far-reaching social implications, one of the most powerful *economic* forces today is the expansion of girls' education and empowerment of women. But this requires both societal change and political action. And, indeed, through deliberate, concerted effort and outside support from donors like USAID, two-thirds of

countries have now achieved gender-parity in primary education. This kind of capacity-building throughout society also feeds a virtuous circle: as countries develop, they can commit more financial, institutional, and human resources to the future, thereby allowing still further investment in solving development challenges.

Sustained economic growth requires a commitment to effective policy and sound, responsible stewardship of the country's resources. A key component of building self-reliance is enterprise-driven economic transformation, a transformation that is often premised on a concerted program of investment and reform. In some countries, this transformation begins on farms and is driven by the spread of tools and technologies that increase agricultural productivity and allow farms to commercialize. As farm output rises, the labor force shifts to industry and services, which add nearly twice the value per worker. But other models may be available. For instance, in many African countries today, informal trading and services drive economic growth, which has been strong in recent years. In all cases, however, economic development rarely happens organically; it starts with commitment to effective policy, such as fair, efficient regulatory and trade regimes that encourage competition, promote entrepreneurship, and allow enterprises to grow, typically precipitate it. Other hallmarks include investment in technological innovation and adoption, constructive engagement between government and business, transparency, especially through an empowered civil society, and policies to ward off rent-seekers. Also important is macroeconomic stability: well-managed inflation, responsible public financing, and open markets. In countries rich in natural resources, they can fuel growth, or they can be squandered, even stoke conflict. Countries that have found ways to protect and sustainably manage resources can use them to fuel economic growth in perpetuity, rather than exacerbate cycles of boom and bust.

Inclusive development takes a commitment to investing in the future, countering social exclusion, and promoting cohesion. Economic transformations require a large base of capable workers and entrepreneurs. This requires investing in human capital, protecting human rights, and ensuring people have equitable access to economic opportunities, civic participation, infrastructure, services, and natural resources. Investments in education are essential. Each 10 percentage point increase in the share of students with basic literacy boosts a country's annual growth by 0.3 percentage point. Education also has positive spillovers, like lower fertility rates, less crime, and greater civic participation. Better health care and improved nutrition contribute to stronger, more productive workers, who live longer and have a higher quality of life. Conversely, malnutrition reduces economic output by an estimated 6 percent. It is important that these. Gender gaps in education and employment, for example, sap as much as 1.5 percentage points from a country's growth each year. Exclusion is also often at the heart of conflicts. When some groups exclude others socially or politically it feeds grievances, which can lead to violence. More cohesive societies, on the other hand, are more stable and resilient. Societies with greater social cohesion, interpersonal safety, and intergroup trust tend to be more peaceful and productive.

Democratic governance requires political legitimacy and a commitment to openness and accountability. Governments must be able to forge compromises among competing constituencies in ways that are perceived as fair and legitimate. That is, they must allow for political processes that converge on agreed priorities and mobilize action to pursue them. As a country grows it produces more wealth. The misuse of these resources by those in power can fuel conflict or corruption and aggravate social divides. Countries with sustained development tend, at minimum, to have controls on abuse of executive power. These controls include effective and representative legislatures and independent judiciaries. Conversely, governments that fail to heed citizens' demands, that practice repressive or exclusionary politics, or that allow corruption, inequities, and social tensions to fester typically see development that is slower, more volatile, and less evenly distributed. While a handful of non-democratic countries have had growth spurts,

they are just as likely to experience economic stagnation or collapse. Authoritarian regimes may appear stable, even self-reliant. But this brittle equilibrium can easily tip into instability.

HOW USAID PARTNERS WITH COUNTRIES TO BUILD SELF-RELIANCE

A partner for building commitment to democracy, inclusion, growth, and capacity across society.

- ▶ **Supporting commitment to democratic governance, openness, accountability, and political legitimacy:** Promoting democratic governance, including free and fair elections; protecting human rights and countering abuses; and ensuring transparency, a free media, and accountability among leaders and institutions.
- ▶ **Supporting commitment to inclusive development, social cohesion, equality, and empowerment:** Encouraging inclusive processes and widespread access to opportunity; empowering women, youth, persons with disabilities, other marginalized groups, and a vibrant civil society; seeking financial inclusion; and enabling investment in future generations.
- ▶ **Supporting commitment to enterprise-driven growth, effective economic policy, innovation, and sound natural-resource management:** Opening and expanding markets; enhancing trade and attracting outside investment; mobilizing and effectively administering domestic resources; exercising responsible public financial management; promoting entrepreneurship, enterprise-driven growth, and innovation; and sustainably managing natural resources, like land, forests, and fisheries.
- ▶ **Supporting capacity across institutions, communities, and the population:** Building human capital and strengthening health and education systems; enhancing agricultural productivity and nutrition; improving service delivery, like citizen security and sanitation, particularly in urban areas; generating energy and building accessible infrastructure; and adopting tools and practices to make civil-society organizations, businesses and trade groups, and government entities more effective.

A partner for providing relief in times of crisis, responding to fragility, and building resilience.

- ▶ **Helping provide humanitarian relief amid crises:** Preparing for disasters; saving lives during emergencies; providing food assistance and for those in need; and enabling lasting recovery.
- ▶ **Helping prevent, mitigate, and otherwise respond to fragility and instability:** Stabilizing countries in turmoil and enabling peaceful political transitions; mitigating emergent violence and countering violent extremism; peacebuilding and facilitating conflict-mediation; and reducing deeper fragility.
- ▶ **Helping strengthen resilience to shocks and stresses:** Strengthening capacities to prevent, absorb the impact of, adapt to, and ultimately recover from shocks and stresses; ensuring equity in and access to land and other contested natural resources; and improving food and water security.

Preventing, mitigating, and recovering from crises that set countries back

Most countries in which USAID operates are progressing along the journey toward self-reliance, but many are also prone to setbacks, even reversals. In fact, four out of five countries with USAID programs exhibit some degree of fragility. Nearly 20 percent are in acute crisis, while another 20 percent are either recovering from or prone to such crises. Another nearly 40 percent either experience or are at risk of smaller-scale shocks and stresses, such as communal violence. Recent upheavals like the Arab Spring show that fragility is not confined only to the poorest countries. Because of this pervasive fragility, sustainable self-reliance requires not just the capacity and commitment to advance development progress, but likewise to prevent or else mitigate crises that may derail progress, to provide relief when crises do occur, and to recover resiliently once they subside.

When crises erupt, providing swift, effective relief can not only save lives and livelihoods but forestall a deeper spiral. In the last two decades, 4.1 billion people were affected by natural disasters, nearly twice

the number in the prior 20 years, and more people (68.5 million) are displaced now than ever before. Providing effective relief and ending humanitarian emergencies has become even more important as the crises countries face become more complex and intractable. Many crises are complex ones, with conflict and political instability compounding environmental stresses like droughts. And they are becoming more complex as lines between traditional conflict, violent extremism, and criminality get blurred, and as outside actors insert themselves in local affairs. More internal conflicts are “internationalized” today than at any point since World War II, with rival powers backing local proxy forces, and transnational extremist groups have grafted themselves onto pre-existing conflicts. A crisis creates openings for spoilers, criminals, and malign actors, both local and foreign. Effective responses that help communities limit the spread of and quickly end emergencies prevent escalation and counter chronic vulnerability.

To prevent and mitigate the impact of crises, countries must reduce their underlying fragility. When institutions are weak, government exploitative, the social compact is broken, or society fragmented, countries are particularly vulnerable to political unrest, large-scale violence, or outright collapse. The ensuing instability diverts resources from future investments to crisis-response, and costs countries the opportunity for steady, sustained development. Reducing fragility requires not just reacting once conflict or other crises occur but treating the underlying condition; that is, addressing grievances and other tensions that lead to violence, and building both state and societal capacity to resolve disputes.

From national institutions to individual communities, resilience to both future shocks and prolonged stresses requires governance that is attuned to risks. Governance must build community-level capacity to cope with and adapt to idiosyncratic challenges and mobilize action to counter systematic threats. Many people in extreme poverty, for example, even in middle-income countries, have few assets, are more likely to live in disaster-prone areas, and have little capacity to absorb shocks. If a disaster strikes, they are likely to lose what they have and have limited means to recover. Efforts to reduce vulnerability among specific groups can build their resilience, for instance by providing livestock insurance to pastoralists in drought-prone areas. Societies must also rise to wider challenges, including climate-related shocks and stresses. For example, worsening droughts, heat waves, and flooding may endanger people and their livelihoods. Likewise, slower changes in temperature and rainfall patterns may reduce crop yields or expand the range of vector-borne diseases. Such stresses can be relatively subtle and thus difficult to adapt to. Local environmental threats may prove equally dangerous; declining air quality, land degradation, deforestation, water scarcity, biodiversity loss, and marine pollution threaten people’s health, livelihoods, and may stoke conflict over dwindling resources. Overall, the human impact could be dire: half of the world’s population is predicted to face water shortages in the next 20 years, and one-third of the world’s soil is degraded, hampering food production. Societies must invest in both mitigation and adaptation, or else rising pressures may one day overwhelm communities’ capacity to manage them.

Self-Reliance Is Increasing Globally – but Substantial Needs Remain

Overall, self-reliance is increasing. Three-quarters of the countries in which USAID works saw gains in *both* country-level capacity and commitment in the past decade. Another 15 percent saw improvement on one dimension or the other. Only a handful of countries experienced declines, many of these countries are currently in acute crisis. While most countries are headed in a promising direction, the average rate of improvement suggests the journey will be long.

Building self-reliance takes time, and there is no one, simple route. Year-to-year, even decade-to-decade, progress is often uneven. In fact, very few developing countries have seen strong, steady economic growth over multiple decades. More often, they have alternated between periods of rapid economic expansion and then episodes of stagnation or decline. Moreover, each country’s constraints

and opportunities (e.g., geography, demographics, resource endowments, political institutions,) are unique. There is no one formula for success.

Real progress is possible, but it is incremental. Progress requires long-term, compounding investments and reforms. For example, the development of core institutions, productive value chains, and citizens' trust in government often take generations to fully mature. Likewise, reorienting government and society to confront emergent challenges is costly, time-consuming, and often politically fraught. Even the wealthiest countries grapple with internal tensions, external threats, and frequently rely on cooperation with others to manage shared problems.

Countries can rise to these and other daunting challenges, as they take ownership of them. Gaining self-reliance depends on local leadership, strong institutions, and community-driven transformation, including an explicit recognition of and concerted response to the risks countries face – sometimes latent, always complex – that may derail progress. Countries that continuously gain self-reliance have a critical mass of individuals and organizations from across society who work together constructively and productively to spur and sustain development. USAID's assistance, channeled through our diverse partnerships, can assist countries in reaching this pivotal point.

To be a more effective partner to countries seeking self-reliance, we will adopt a new approach. Where we have been effective, we will continue and expand on those programs; where we have not, we should acknowledge failures, analyze and learn from them, and direct resources to more effective efforts. In particular, we will be more strategic in how we advance country progress: mobilize objective data and rigorous evidence to focus programs on barriers to self-reliance, redefine our relationships with partner-country governments, and transition partnerships as countries gain self-reliance. We will invest our resources for impact: in the drivers of inclusive, enterprise-driven development and democratic governance and in comprehensive crisis-response to help countries get back on track by providing relief, responding to fragility, and building resilience to future shocks and stress. And we will prioritize sustainable results: diversify partners especially by more intentionally engaging the private sector, calibrate programs to the political economies and wider systems in which we operate, and take balanced, managed risks.

3 USAID'S APPROACH Fostering Self-Reliance

USAID will reorient our work toward supporting countries as they build self-reliance. This approach draws on our understanding of what self-reliance entails, what drives progress on a country's journey toward self-reliance, as well as the challenges each country faces. We will apply the lessons we have learned as an agency from decades of humanitarian and development practice around the world.

This new approach is grounded in three principles.

1. **Advance country progress**
2. **Invest for impact**
3. **Sustain results**

This approach marks a new direction for USAID. It demands that we examine **why** we provide assistance. Focusing on helping entire countries move toward self-reliance requires that we understand every country's context, meet our country partners wherever they are on their development journeys, and ensure our partnerships evolve as countries build self-reliance. It requires that we make choices about

what assistance we provide. We must invest our resources more strategically and deliberately to make a broader and more meaningful impact that enables countries to accelerate progress and address new and persistent challenges. And this approach obliges us to rethink *how* we provide assistance. To achieve lasting results, we must recognize and tailor approaches to strengthen the systems in which we operate, embrace new roles and work with new partners, and take balanced and manageable risks.

Each principle is necessary to reorient our approach, and none alone is sufficient. Together, they imply changes to how we devise policies and country strategies, align with local and regional development plans, employ evidence and analysis, write technical guidance, design projects and activities, seek out partnerships, conduct procurement, measure results, and incorporate learning.

To improve the effectiveness of our assistance, we must apply these principles to each of our interventions. While this approach encourages a constant focus on countrywide self-reliance, often a given intervention operates on a smaller scale. Country-level measures of self-reliance help us look across countries to recognize those with relatively high and low levels of self-reliance, and to make more strategic decisions with them based on

objective indicators. At the same time, in every country, there are areas of both high and low capacity, and of both high and low commitment. And in no country can we create capacity or commitment on our own. Our task is to seek out and amplify bright spots, those beacons of institutional effectiveness, visionary leadership, or grassroots reform.

In every country, there are areas of both high and low capacity, and of both high and low commitment. Our task is to seek out and amplify bright spots, those beacons of institutional effectiveness, visionary leadership, or grassroots reform.

While we ought to be ambitious in the change we can effect, we must also understand the limits of our manageable interest. Many determinants of self-reliance lie well beyond what USAID can influence. We are but one of many actors in a country, each of whom influences, positively or negatively, a country's self-reliance. Nevertheless, with the changes described herein, USAID can have a more meaningful and sustainable impact, and support countries as they progress along their own journeys toward self-reliance.

1. Advance Country Progress

USAID will prioritize countrywide progress toward greater self-reliance, everywhere we work. To do so, we must focus on the country as our first unit of analysis – on the unique set of challenges and opportunities within each country. In doing so, USAID will meet countries wherever they are on their journeys to self-reliance, strengthening capacity and supporting commitment in the areas we are best equipped to support, and which we believe are most likely to catalyze wider change. We should always consider *why* our assistance is needed in a given context, and whether we can adjust our approach to more effectively advance a country's progress toward self-reliance.

Focus on countrywide self-reliance

- **We will support global development country-by-country.** In contrast to what has been a tendency to target specific problems that are global in scale, our ambition will be directed toward advancing wholesale, sustained progress within individual countries. Ultimately, achieving any worldwide target relies on the sum of efforts across many individual countries.

- We will redefine our relationship with partner-country governments. Our government partners should have “skin in the game.” That is, they should always have a vested interest in the success of USAID programs, founded in mutual accountability and shared objectives. Where there is a demonstrated commitment to – or at least an earnest aspiration for – effective, inclusive, and accountable problem-solving, government-to-government agreements are central to achieving shared development and humanitarian results. Agreements must carefully consider incentives and how they can help build toward more specific commitments, such as for policy reforms or with cost-sharing. They should also build critical capacities, such as through use of country financial systems and co-design of projects. Conversely, where commitment is lagging, we should consider whether our resources will be effective or put to better use through other types of partnership or in other places.
- We will remain committed to providing humanitarian relief in times of crisis. Our commitment to providing need-based assistance during natural or manmade disasters is among USAID’s foundational principles.

Our government partners should have “skin in the game.” Where there is a demonstrated commitment to effective, inclusive, and accountable problem-solving, government-to-government agreements are central to achieving shared development and humanitarian results. Where commitment is lagging, we should consider whether our resources will be effective or could be put to better use.

Map countries' progress toward self-reliance

- We will chart a Roadmap for each country’s journey to greater self-reliance. The Roadmap, updated annually, analyzes a standard set of publicly available, third-party metrics of the overall levels of capacity and commitment of each country, and the opportunities and challenges they reveal.
- We will supplement Roadmaps and country-level metrics with deeper analysis. Roadmaps provide a high-level snapshot of each country’s degree of self-reliance, comparable across countries. When useful, we will always overlay this standardized analysis with a more nuanced, rigorous understanding of each country’s development challenges, and opportunities for effective assistance. For instance, when developing a country strategic plan, the Roadmap only takes us so far: more granular assessments of self-reliance that help us understand the nature of market dynamics, constraints to inclusive economic growth, the manifestation of gender inequality and other forms of exclusion, or the contours of the political economy, for example, will allow us to more meaningfully assess a country’s context with respect to overall self-reliance, and its barriers to development.
- We will identify points of convergence among development needs, country-partner priorities, and U.S. policy imperatives. To take effective action, we must balance our understanding of the specific challenges a country faces for building self-reliance, our local partners’ own plans and priorities, the larger U.S. national security and foreign policy objectives our assistance helps advance, and our own strengths and unique capabilities, relative to other donors and U.S. agencies.

We will chart a Roadmap for each country’s journey to greater self-reliance. The Roadmap analyzes overall levels of capacity and commitment of each country, and the opportunities and challenges they reveal.

Transitioning our partnerships as countries build self-reliance

- **We will adapt our approach as countries build self-reliance.** We will regularly review and, when needed, adjust our methods of engagement, mission presence, and objectives. We must ensure our approach in each country reflects that country's levels of capacity and commitment and is calibrated toward objectives shared with local partners, both inside and outside government. For example, if long-running programs have not sustainably increased local capacity, we will consider new approaches. Likewise, we must consider how we better-empower our cadre of Foreign Service Nationals and local partners, and how we can more effectively apply their expertise.
- **We will consider strategic transitions where capacity and commitment have reached more advanced levels.** A strategic transition does not necessarily signal the end of USAID engagement. Rather, it is a recognition of the country's success, and is a moment for celebration. A thoughtful and deliberate strategic transition, in close partnership with the country itself and other U.S. Government agencies, helps ensure our assistance relationships matures over time, progressing from a donor-recipient dynamic to one of enduring economic, diplomatic, and security partnership. For example, a strategic transition may seek to expand access to finance, mobilize private capital, deepen trade relationships and access to international markets, increase technical and educational exchanges, or encourage mutual responsibility in managing shared burdens, such as emergency response. At the same time, targeted humanitarian and development support may still be needed to respond to disasters, address lingering challenges, or to mitigate future risks.

We will undertake strategic transitions where capacity and commitment have reached more advanced levels. A strategic transition does not necessarily signal the end of USAID engagement. Rather, it is a recognition of the country's success, and is a moment for celebration.

2. Invest for Impact

USAID will be a partner to countries in solving their most pressing development challenges, providing assistance strategically to build on existing areas of capacity and commitment. To do so, we must first recognize that our human and financial resources are limited, and that we must allocate them judiciously, treating them as investments in countries' self-reliance. We should always consider *what* assistance we provide where, and whether it is likely to make a meaningful difference in fostering self-reliance.

Make strategic choices

- **We will build on local capacity and commitment, where we find them.** We should identify areas where we believe we can build on existing or emergent capacity or commitment, and we should design programs to do so. Where these attributes are lacking, or where long-running programs have not led to expected and sustained increases in capacity or commitment, we should seek alternative approaches and partners, or explore other uses of our resources.
- **We will understand programmatic tradeoffs and make hard choices.** Informed by country Roadmaps and other analysis, we will treat programs as investments in sustainable, inclusive development, democratic governance, and crisis-prevention and response. We will match our ambition with the resources at hand and our manageable interest. We will identify USAID's strengths relative to other assistance providers in addressing particular challenges in particular contexts and be selective in our programming. Where other donors are better placed to intervene, we have insufficient resources to achieve economies of scale, we lack competent and credible partners, or we otherwise doubt our efforts will have lasting impact, we should redirect resources to better use.

- **We will support countries' self-reliance through regional and other transnational investments.** We will strategically support cross-country action, burden-sharing, and development cooperation where these enable individual countries' self-reliance. For example, this may include supporting regional systems to conduct disease surveillance and pandemic response; countering transnational criminal networks and violent extremist groups; helping to manage shared resources and cross-border challenges; strengthening pivotal regional economic communities; and bolstering alliances that share knowledge and pool resources for economies of scale.

Harmonize investments in growth, inclusion, and democracy

- **We will recognize the central role the private sector plays as an engine of development.** Most development is enterprise-driven: businesses create 90 percent of jobs in developing countries, and new and better employment provides the surest pathway out of poverty for most people. While some USAID programs are grounded in market-based approaches (e.g., by taking a "value chain" approach or collaborating with businesses to spur innovation), these are not comprehensive. Yet there is no area of USAID's work in which the private sector does not play an essential role. We must always understand the market dynamics that affect our activities and more proactively explore viable market-based approaches to programming.
- **We will support financial sustainability.** Systems that are dependent primarily on an inflow of assistance cannot be self-reliant. Strengthening capabilities and reinforcing incentives to finance development domestically and in perpetuity – generate public revenue, administer it effectively and responsibly, harness local and international private capital (including remittances) for investment in long-term development, adopt market-based approaches that allow the self-funded provision of goods or services, among other endeavors – may all advance self-reliance. This requires engaging both the local private sector and civil society to inform how funds are used and to bring independent accountability to government activities. We can expand or create programs toward this end, or incorporate these elements as components of larger programs, across sectors.
- **We will embrace creativity, apply novel technologies, and innovate.** We will continue to survey innovations, both local and global, to identify and apply those that may help solve intractable development and humanitarian challenges. Importantly, this includes exploring market-based solutions, through greater engagement with the private sector and wider use of market analysis.
- **We will promote cross-sectoral integration.** Technical specialties and program areas allows useful divisions of labor within USAID, but they do not reflect the real world. It is impossible, for example, to separate children's education from their health and nutrition, their parents' livelihoods or their job prospects once they graduate, norms around gender equality or ethnic and religious acceptance, or the government's policy choices or administrative effectiveness. Our programs must recognize this interconnectedness. We must institute regular, meaningful cross-sectoral dialogue and collaboration. Where appropriate, we will adopt more fully integrated programs.

We will support financial sustainability. Systems that are dependent primarily on an inflow of assistance cannot be self-reliant. Strengthening capabilities and reinforcing incentives to finance development domestically and in perpetuity can advance self-reliance.

Enhance capabilities to help prevent, mitigate, and recover from crises

- **We will review strategic approaches in particularly fragile countries.** In the same way that USAID must recognize countries that have successfully built self-reliance, we must also acknowledge those with deficient capacity, commitment, or both, and that are mired in a protracted crisis or at persistent risk of instability. In these countries, we should tailor our approach to their distinct needs. For example, prioritizing stabilization and peaceful political transition, addressing grievances and supporting mechanisms for resolving disputes without violence, and building resilience to shocks and stresses from the community-level up are ways to partner with fragile countries to lay stable foundations to build toward self-reliance.
- **We will improve coordination at the nexus of humanitarian action, development assistance, and peacebuilding and conflict-prevention and strengthen the transition from relief to development.** When there are protracted conflicts or risks of instability, we will plan for needs-based humanitarian assistance that also considers ongoing and future development needs and conflict risks, and align efforts and promote lasting gains. In particular, we will increase joint analysis and planning among personnel focused on humanitarian, development, and peace objectives. Strengthening coherence among these interventions helps increase the capacity of local authorities to plan and manage responses to crisis. In addition, through civil-military cooperation, we will leverage interagency assets and capabilities to advance USAID's objectives across the assistance spectrum, supporting closer integration of humanitarian, stabilization and conflict-prevention, and longer-term development efforts. In all cases, it is critical that we understand the political economy and other features of the country system, choosing interventions that lay a foundation for stability and sustainable development, while strengthening what self-reliance does exist and protecting gains that have already been made.

3. Sustain Results

USAID will optimize the reach and sustainability of our program results. To do so, we must use our partnerships to support whichever individuals and institutions may contribute to self-reliance, including those in the private sector, and in ways that catalyze wider and more meaningful change. We should always consider *how* we provide assistance in a given context, and whether we can program in ways that will produce more far-reaching and sustainable results.

Reimagine our partnerships

- **We will diversify our partners.** We must reimagine with *whom* we can partner. We must be creative and diligent in seeking out and working with the right partners for the right activities, identifying those organizations and individuals best able to effect change and contribute to sustained results. Doing so requires that we look beyond our traditional partner portfolio to new collaborators, especially those with deep roots in the communities and institutions we support and who are committed to fostering self-reliance. USAID's new *Acquisition and Assistance Strategy* details the shifts we are making in to enable us to be a more effective partner and catalyze more effective, and more diverse, partnerships.
- **We will diversify our partnership models.** We must also reexamine *how* we conceive of partnerships. Often, they entail financial arrangements, but this is not always the case, and even where they do, they have other important dimensions. For example, we should be a leader of in-country donor coordination, seeking to de-conflict efforts, identify gaps, and leverage economies of scale. Similarly, consultation, information-sharing, and earnest exchange is as important to the success and sustainability of our efforts as is the technical design of a project itself. This is especially true in our partnerships with community groups and local civil society organizations, with whom we should strive

- to work with more. Such organizations are often linchpins of accountability and inclusion, and they enjoy legitimacy among local populations and have a deeper understanding of their needs.
- **We will actively engage the private sector.** In most countries that have steadily built self-reliance, the private sector was the main engine of economic growth. Firms provide employment and improve productivity, two indispensable elements of long-term development. Historically, development actors have sometimes shied away from partnering with business. But where we have common cause, and can pursue development objectives on equal footing and uphold shared values, domestic and international firms can prove powerful development partners.

We will actively engage the private sector. In most countries that have steadily built self-reliance, the private sector was the main engine of economic growth. Where we have common cause, and can pursue development objectives on equal footing and uphold shared values, domestic and international firms can prove powerful development partners.

- **We will focus partnerships on outcomes.** We must raise the bar for what constitutes an effective partnership. We will seek creative, effective solutions through partnerships that have demonstrable impact. The composition of these partnerships will vary, in both the type of actors and intended outcomes. In all cases, we and each of our partners should, at the outset, determine specific, measurable objectives; specify our respective contributions to achieving them; and delineate methods for holding one another accountable. Ultimately, the purpose of every partnership should be to bring together those actors we believe are most important for and capable of enacting solutions to well-defined constraints or challenges to countries' self-reliance.
- **We will be more creative, responsive, and flexible in our procurement processes.** Exploring new and more effective partnerships – e.g., with innovative local organizations, emerging community leaders, or fast-growing local enterprises – will require greater use of co-creation, working with organizations that have never partnered with the U.S. Government, and employing novel financing arrangements, including through close collaboration with the new U.S. International Development Finance Corporation. We must also make more use of innovative procurement mechanisms, such as public-private partnerships, venture-style financing, open innovation or challenge models, broad agency announcements and annual program statements, direct participant training, and other tools, to broaden and more effectively draw on our pool of partners.

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Strengthen local systems

- **We will use our assistance catalytically.** To achieve sustainability and broaden the reach of our program results with limited resources, we should design projects not to deliver a set of outputs but to effect broader change. To do so, we must strengthen local systems' self-reliance. Development and humanitarian programs should always consider, not just their particular partners and objectives,

but the wider systems in which they operate. That is, each project should first understand the constellation of actors and institutions relevant to achieving meaningful and lasting results, their interrelations, and the incentives that guide them, and then support the specific capacities and commitments that lead to positive, systemwide outcomes. We should also tailor and adapt our approach, depending on the context and how it evolves. In weaker or more fragile systems, direct service-provision, core capacity-development, or building basic trust among groups may be more important. In stronger, more resilient systems, our added value may be in convening dialogue among diverse stakeholders, bringing in new or external partners, or supporting local organizations' own initiatives.

- **We will prioritize sustainability.** We must develop programs that work toward sustainable outcomes, and we must improve our capabilities to measure systemic change. In particular, we must plan, design and learn from programs that seek longer-term, often harder to measure, but ultimately much more impactful results. We also need to expand monitoring efforts to determine if our interventions are, in fact, strengthening larger systems. And we need to invest in ex-post evaluations to verify that we have contributed to changes sustained over time.

Take balanced risks

- **We will embrace a manageable level of risk in order to program more effectively.** Seeking more sustainable, wider-reaching results will require recalibrating our risk appetite – prioritizing long-term outcomes, measured in terms of their lasting impact, over near-term outputs. USAID's Risk Appetite Statement expresses a high tolerance for taking programmatic risks, in particular: "If we are going to achieve our long-term objective of ending the need for foreign assistance, we must take smart and disciplined programmatic risks." We should accept and learn from activity- and project-level failures in order to increase the likelihood of larger program- and strategy-level impact. Of course, the risks we accept must be considered thoughtfully and systematically.
- **We will manage risks comprehensively.** Pursuing innovative, creative programs and partnerships can be more risky, but they are often worth the reward. At the same time, we must mitigate potential fallout from failure and provide sufficient accountability. Accepting some risk means we must take steps to manage, mitigate, or reduce it – which USAID's enterprise risk management system will allow. Data-driven, with continual inputs from across operating units, this system will weigh potential development outcomes alongside other potential risks (security, fiduciary, reputational, etc.). Managing risk holistically makes us better stewards of taxpayer resources, and allows us to invest them more strategically.

4 USAID'S TRANSFORMATION Strengthening USAID Today and for Tomorrow

USAID has three indispensable resources: our people; their collective experience and the body of evidence-based policy and expert practice they have developed; and the budget we implement on behalf of the American taxpayers. We are the largest implementer of U.S. Government development and humanitarian assistance, and our highly capable workforce ensures that we do so with diligence, professionalism, and in support of U.S. interests.

To realize the vision laid out in this *Policy Framework*, we must harness these resources and optimize their use. This is the aim behind an agency-wide transformation. Foremost, we must enable our people to lead the Agency forward. We also must ensure that our policies and programs are thoughtful, evidence-

based, and support the goals articulated here. Finally, we must exercise discipline over our budget, to ensure it enables us to deliver on our policy goals and to demonstrate progress.

Enable USAID's People to Lead

USAID's workforce is our greatest asset, and the agency must continue to invest in it. The people of USAID are dedicated, experienced public servants who are passionate about finding effective, enduring solutions to some of the world's most intractable challenges.

USAID's workforce is our greatest asset, and the agency must continue to invest in it. We have nearly 10,000 personnel, the majority in missions overseas. They are dedicated, experienced public servants who are passionate about finding effective, enduring solutions to some of the world's most intractable challenges. A recent survey found

that 90 percent regularly find inspiration in their work and that of their colleagues. To capitalize on the talent of our workforce, we must empower staff at all levels to be leaders, and provide them the incentives, training, tools, and support structures to do so, so that we maintain the skilled, adaptable, and mobile workforce we need now and in the future.

- **We will embrace a culture of leadership and one that reinforces our values.** Our people should feel empowered to be catalysts for change and to lead in the interagency, the international development community, and in engagement with local partners. In line with USAID's Leadership Philosophy statement, we will cultivate leadership at all levels. Fostering self-reliance requires a shift in thinking from administering traditional development and humanitarian assistance. We should encourage staff to build and nurture relationships that can lead to long-term, impactful partnerships, even if these relationships fall outside of current project-management activities. We will also promote an environment that reflects our values and upholds human dignity. Updated operational policy and reporting channels will enhance USAID's longstanding zero-tolerance policy for sexual abuse and the agency's commitments to preventing abuse and exploitation in the workplace and to protecting program beneficiaries.
- **We will provide staff the incentives to be leaders.** We will ensure that staff are recognized and rewarded for work that fosters self-reliance. We will adjust our personnel management systems so that measures of job performance and opportunities for career advancement reflect the approaches and values described above. We will also encourage work plans and other structures that provide staff time and space to engage meaningfully with the development problems countries encounter, explore promising, or even novel, context-appropriate solutions and pursue them through robust partnerships. To create this space requires rewarding staff for creativity, innovation, experimentation, learning from failure, and collaboration across sectors and with new or non-traditional partners. All of these may be inherently risky ways of working, less likely to produce immediate, easily measurable results or adhere exactly to performance measures premised on well-worn approaches.
- **We will empower Foreign Service Nationals (FSNs).** Making up the single largest segment of USAID's workforce, FSNs are the vanguard of our efforts to foster self-reliance. Their deep and nuanced understanding of their own countries is vital to identifying promising opportunities for program investment and for partners to work with, and their often long tenure in missions strengthens relationships with local actors and provides the continuity necessary to see longer-term results. USAID has already taken steps to give FSNs a greater voice, including establishing an FSN Advocacy Council for the agency and creating the post of FSN senior advisor at several missions. We are also expanding professional development opportunities, such as the FSN Fellowship program and the FSN Talent Project. And we will continue to amplify the voice and influence of FSN colleagues.

- **We will invest in a more nimble workforce.** Strategic workforce planning ensures that we have the most talented people in agile staffing mechanisms. More flexible hiring in a system that provides for greater mobility will allow USAID to put the right team in the right place at the right time, such as to surge staffing in response to emerging or ongoing crises or bring in specialists to support a strategic transition. One way USAID is addressing this is by exploring options to pilot a system in selected bureaus for non-career, excepted-service positions that uses broad talent models and consolidates a number of hiring mechanisms, such as personal-service contractors, institutional-support contractors, and fellows. This system would reduce management burdens, improve equity in benefits across positions, and enable greater flexibility to hire and move our people as needs change.
- **We will provide adequate support to all staff in fluid contexts, especially non-permissive ones.** We will develop programmatic support for incorporating rapid learning, monitoring the external context, and responding both strategically and tactically as situations change. We will accompany this with demand-driven operational support, such as guidance on third-party monitoring, adaptive procurement, and enhanced physical security. We will also continue to enhance our workforce readiness, its adaptability, and its mobility.
- **We will drive decision-making to missions.** To enable an approach focused on fostering individual countries' self-reliance through our bilateral relationships and other local partnerships, we are making changes in Washington to better support the vital role missions and other overseas posts play. We will realign functions and processes to drive project-design and decision-making to missions. We intend to reorganize units in headquarters to ensure their support to overseas staff effectively applies the latest evidence, expertise, and technological innovations. In particular, reorganization proposes bringing together Washington's technical experts into field-focused centers to provide comprehensive and cutting-edge services to missions.
- **We will enhance critical technical capabilities.** In Washington, we propose to reorganize bureaus and relocate staff to create a more field-focused and functionally aligned headquarters that improves efficiency, programmatic coherence, and ultimately enables USAID to more effectively foster self-reliance. For example, we have proposed all staff working on private-sector engagement come together under a bureau focused on democracy, development, and innovation. We also propose merging our humanitarian assistance into a single unit, to ensure more effective integration of food and non-food programming. With all humanitarian personnel brought together, they can better support comprehensive strategies, joint planning with development counterparts, and more rigorous monitoring and evaluation. Similarly, we will harmonize our expertise in humanitarian assistance, conflict-prevention and stabilization, food and water security, and building resilience. This will enhance our effectiveness in complex environments and allow us to more seamlessly help countries to prevent, mitigate, and recover from crises. In particular, this will enable more strategic layering and sequencing of various programs in fragile settings. In parallel to the changes in headquarters, in missions we must make it easier for staff to collaborate across technical areas and design integrated, cross-sectoral programs and partnerships. In support of these changes, all regional, functional, and operational bureaus will generate vision papers to complement country strategies and sectoral and other issue-specific policies.

Ensure Coherence in USAID's Policy and Practice

USAID must harmonize policies, country strategies, and development and humanitarian practice. Coherent policy and the practices that follow it ensure a unity of effort and lead to more consistently effective assistance programs. Policy coherence also ensures USAID will continue to be a transparent and reliable partner. This *Policy Framework* is both USAID's highest-level development and humanitarian

policy document, and it articulates USAID's contribution to broader U.S. national security and foreign policy. In this way, it serves two important functions: 1) it bridges Administration policy priorities, as laid out in the *National Security Strategy (NSS)* and the Department of State and USAID *Joint Strategic Plan (JSP)*, and USAID's approach to development and humanitarian assistance, demonstrating how they align; and 2) it establishes what fostering self-reliance entails and how it can constitute more effective practice.

- **We will strengthen policy coherence.** Our body of development policy – policies, strategies, and vision statements, as well as the good-practice documents that help operationalize them – must consistently support the goal of ending the need for foreign assistance. Specifically, we will align the implementation of existing policy with this goal, and we will write new policies to further elaborate on the approach to fostering self-reliance.
- **We will ensure country strategic plans and individual projects focus on fostering self-reliance.** Country Development Cooperation Strategies (CDCSs), and the projects we design to support them, should embody the self-reliance approach. CDCSs provide a place to apply the higher-level principles underpinning this approach – advancing country progress, investing for impact, and sustaining results – in a strategy that also accounts for U.S. foreign policy priorities for that country, the development plans and agendas of the partner-country government and other local partners, and analysis of the specific constraints to and opportunities for building capacity and commitment in that setting.
- **We will build a robust practice to support fostering self-reliance.** We will need to deepen and broaden our practice specifically in areas that advance this new approach and the principles that underlie it. For example, we must expand use of systems tools and develop better guidance for measuring system-wide change. We must monitor and evaluate programs in ways that account for complexity and uncertainty, and that capture sustainability. To form more effective partnerships, we will need to strengthen capabilities to co-create, collaborate, and facilitate, especially with the private sector. And to improve our work in fragile contexts, we must integrate conflict-sensitivity across sectors, and find innovative ways to address the low levels of capacity, commitment, trust, and social cohesion that pervade fragile countries.
- **We will hold ourselves accountable.** To ensure that we align efforts in support of fostering self-reliance, we will establish an agency-wide plan to monitor implementation. We will identify key actions and practices, in Washington and in missions, that demonstrate we are putting into action this approach and develop methods to track them. As much as possible, we will limit new burdens placed on operating units, such as by relying on existing data-collection and reporting processes.

We will hold ourselves accountable. To ensure that we align efforts in support of fostering self-reliance, we will establish an agency-wide plan to monitor implementation.

Align USAID's Budget, Strategy, and Performance Priorities

USAID will strive to improve alignment between our budget and our stated policy goals and the strategies that implement them. There is tension in our funding streams between top-down, centrally-driven initiatives and priorities identified at the country level. Alleviating this tension and, in particular, directing resources toward investments that will have an impact and lead to sustainable results, is critical to advancing our mission, and to ending the need for foreign assistance.

- **We will strengthen connections among policy, planning, and the budget we have.** Budgets signal policy priorities. To ensure that future budgets reflect the priorities articulated in this *Policy Framework*, we will strengthen the functions of and connections among budget-, policy-, and

strategic-planning processes. This will allow USAID to more seamlessly allocate our resources toward strategic priorities identified at the country level and to assess and communicate our performance against those priorities. And to reinforce those connections we intend, as part of the broader organizational transformation, to unite within a single bureau those units that coordinate policy development, strategic planning, budget formulation and allocation, and agency-level performance reporting.

- **We will work with interagency and Congressional partners to ensure that country-level budgets support our policy priorities, as aligned with U.S. government priorities.** We must communicate, consult, and collaborate with external stakeholders who determine, set parameters around, and exercise influence over USAID's budget, so they understand and share our agency's vision and the results we are achieving. Working with these key stakeholders as we reorient our approach to fostering self-reliance will enable a global view that will ensure that we have budgets to respond to the needs and opportunities identified by missions.
- **We will seek alternative budgetary approaches to foster more innovative and adaptive programs and encourage partnerships.** The rigidities built into our current appropriations limit the ways we can provide assistance to foster self-reliance. In particular, missions often lack the ability to make decisions in real-time, to seize opportunities as they arise, or to adapt as needs or conditions on the ground change. Initially, we will seek alternative approaches to meeting administration and appropriations directives to demonstrate the effectiveness of programs or approaches that are new or under-funded, but that we believe will contribute to countries' self-reliance. As we experiment and innovate, we are committed to measuring impact more holistically and rigorously. We must also rethink the results we value – moving from an emphasis on near-term, output-oriented results to a preference for long-term, measurable impact.

Enabling our people to lead, ensuring coherence in policy and practice, and aligning our budget and strategic priorities form the foundation for our new approach. Ultimately, we envision a USAID that is a global and interagency leader. We see an Agency that leverages an empowered workforce, coherent policy agenda, and strategically aligned budget to advance our development and humanitarian mission, while contributing to critical national security objectives, and, in time, ending the need for foreign assistance.

5 Looking Ahead and Learning as We Go

This *Policy Framework* articulates USAID's overarching approach as the lead implementer of U.S. humanitarian and development assistance; it is also a call to action. To realize its vision – that is, to take seriously a pledge to partner with countries to move toward a day when they can meet their own development objectives without donor assistance – requires our collective, collaborative effort. We must apply and refine the principles herein earnestly and thoughtfully, as we develop policies, strategies, and technical guidance; as we plan, design, and implement programs; and as we evaluate them, learn, and adapt. We also must engage an array of stakeholders, listen to local communities, and dialogue with partner governments.

USAID has already begun translating principles into practice. Technical units are issuing sectoral guidance that explains how specific program areas can foster self-reliance; at the same time, they will ensure this guidance is not siloed, but integrated and complementary across sectors. Regional bureaus are analyzing self-reliance within country and regional contexts, to inform future strategies. And policy and management units are adapting guidance for strategic planning, project design, adaptive management,

monitoring and evaluation, and acquisition and assistance to incorporate a focus on self-reliance. New policies, such as the *Private Sector Engagement Policy*, will also elaborate on these concepts.

USAID will also undertake a learning agenda. Through a structured, consultative process, we will seek to understand what works to foster self-reliance, and how to translate this knowledge into improved policies, strategic plans, projects, procurement processes, and program management. We will do this on parallel tracks: near-term, we will assess ongoing processes in real-time, such as in missions currently developing strategic plans, and capture lessons as we learn them. Looking ahead, we will also undertake a series of more rigorous evaluation efforts. As we compile evidence of what interventions are effective for fostering self-reliance – and which are not – we will build a more comprehensive knowledge base. We will then use this to create tools to use in all stages of USAID programming, from strategy to conception to design to implementation to monitoring and evaluation.

Learning is inherently iterative, and it can be uncomfortable. We must ask hard questions, challenge assumptions, be open to new – and disconfirming – information, and then be willing to adjust our approach. We must also encourage USAID staff and our partners to scrutinize existing approaches and experiment with new ones. And we must invest the time and effort, as well as human and financial resources, to see this agenda through. This is also an important opportunity – but one we must seek out, proactively – to listen to local voices, understand their perspectives, and consider their advice.

Collaboration and shared learning will lead to greater results. Ending the need for foreign assistance requires that a wide array of local and international actors take ownership of effective approaches to development. Equally, if not more important than applying lessons to USAID's own assistance programs, will be sharing and amplifying these lessons widely so that other local and international actors can learn and capitalize on what works. In addition, creating an on-going dialogue will ensure that development actors all contribute to an evolving body of evidence.

This is a living document. The ideas outlined in this Policy Framework are not etched in stone, but are the beginning of a body of knowledge and practice that will continue to grow and evolve. In time, we may revisit this document itself. Moving forward, however, this document provides a framework around which we will build a better USAID and, ultimately, a better world.